

1 BILL NO. S-82-10-05

2 SPECIAL ORDINANCE NO. S- 190-82

3 AN ORDINANCE approving the telephone
4 communications system bid award to
KLF Electronics, Inc.

5
6 WHEREAS, the City of Fort Wayne has received bids
7 with respect to the City's telephone communications system; and

8 WHEREAS, it is the City's desire to award the Lease-
9 Purchase Contract for such system to KLF Electronics, Inc.

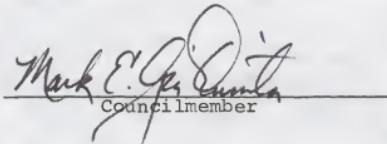
10 NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL
11 OF THE CITY OF FORT WAYNE, INDIANA:

12 SECTION 1. That the City's telephone communications
13 system bid award, bid numbers 1052 and 1053, in the total amount
14 of Four Hundred Forty-Nine Thousand Six Hundred Seventy-Five
15 and No/100 Dollars (\$449,675.00), (a total five year Lease cost
16 including interest, of \$604,093.20), to KLF Electronics, Inc.
17 is hereby approved. Copies of all bid documents, specifications,
18 and the like with respect to the telephone communications system
19 bid are on file in the Office of the Department of Purchasing.

20 SECTION 2. Authority is hereby given to execute any
21 and all documents, including the Lease-Purchase document, to
22 consummate the award made.

23 SECTION 3. Attached hereto, as a part hereof, as
24 Exhibit "A" is a copy of the Purchasing Agent's award as herein
25 approved by this Common Council. Two copies of which are on
26 file with the Office of the City Clerk and made available for
27 public inspection, according to law.

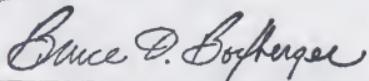
28 SECTION 4. That this Ordinance shall be in full force
29 and effect from and after its passage and any and all necessary
30 approval by the Mayor.

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32 
Mark E. Gerlach
Councilmember

1 Page Two

2

3 APPROVED AS TO FORM
4 AND LEGALITY

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6 Bruce O. Boxberger, City Attorney

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Read the first time in full and on motion by GiaQuinta,
seconded by Bradbury, and duly adopted, read the second time
by title and referred to the Committee Planning (and the City
Plan Commission for recommendation) and Public Hearing to be held after
due legal notice, at the Council Chambers, City-County Building, Fort Wayne,
Indiana, on 19, the 19 day of October, at 10:00 o'clock A.M., E.S.T.

DATE: 10-12-82

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Read the third time in full and on motion by GiaQuinta,
seconded by GiaQuinta, and duly adopted, placed on its
passage. PASSED (LOST) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
<u>TOTAL VOTES</u>	<u>7</u>	<u>2</u>			
<u>BRADBURY</u>	<u>X</u>				
<u>BURNS</u>	<u>X</u>				
<u>EISBART</u>	<u>X</u>				
<u>GiaQUINTA</u>	<u>X</u>				
<u>SCHMIDT</u>		<u>X</u>			
<u>SCHOMBURG</u>		<u>X</u>			
<u>SCRUGGS</u>	<u>X</u>				
<u>STIER</u>	<u>X</u>				
<u>TALARICO</u>	<u>X</u>				

DATE: 10-26-82

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,
Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL)
(APPROPRIATION) ORDINANCE (RESOLUTION) NO. S-190-82
on the 26th day of October, 1982, Dated

ATTEST:

(SEAL)

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Samuel J. Talarico
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on
the 27th day of October, 1982, at the hour of
11:30 o'clock A.M., E.S.T.

Charles W. Westerman
CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this 29th day of October
1982, at the hour of 11 o'clock A.M., E.S.T.

Win Moses
WIN MOSES, JR. - MAYOR

Read the first time in full and on motion by _____, seconded by _____, and duly adopted, read the second time by title and referred to the Committee _____ (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at the Council Chambers, City-County Building, Fort Wayne, Indiana, on _____, the _____ day of _____, 19_____, at _____ o'clock _____.M.,E.S.T.

DATE: _____

CHARLES W. WESTERMAN - CITY CLERK

Read the third time in full and on motion by _____, seconded by _____, and duly adopted, placed on its passage. PASSED (LOST) by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT	TO-WIT:
<u>TOTAL VOTES</u>	5	3	_____	_____	_____
<u>BRADBURY</u>	X	_____	_____	_____	_____
<u>BURNS</u>	X	_____	_____	_____	_____
<u>EISBART</u>	X	_____	_____	_____	_____
<u>GiaQUINTA</u>	_____	X	_____	_____	_____
<u>SG Ruggs</u>	X	_____	_____	_____	_____
<u>NUCKOLS</u>	_____	_____	_____	_____	_____
<u>SCHMIDT</u>	_____	X	_____	_____	_____
<u>SCHOMBURG</u>	X	_____	_____	_____	_____
<u>STIER</u>	X	_____	_____	_____	_____
<u>TALARICO</u>	_____	X	_____	_____	_____

DATE: 10-26-82

CHARLES W. WESTERMAN - CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ZONING MAP) (GENERAL) (ANNEXATION) (SPECIAL) (APPROPRIATION) ORDINANCE (RESOLUTION) NO. _____ on the _____ day of _____, 19_____.
ATTEST: _____ (SEAL)

CHARLES W. WESTERMAN - CITY CLERK

PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the _____ day of _____, 19_____, at the hour of _____ o'clock _____.M.,E.S.T.

CHARLES W. WESTERMAN - CITY CLERK

Approved and signed by me this _____ day of _____ 19_____, at the hour of _____ o'clock _____.M.,E.S.T.

WIN MOSES, JR. - MAYOR

BILL NO. S-82-10-05

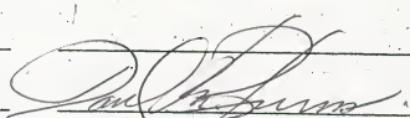
REPORT OF THE COMMITTEE ON FINANCE

WE, YOUR COMMITTEE ON Finance *Committee of the
Finance White* TO WHOM WAS REFERRED AN
ORDINANCE approving the telephone communications system bid award
to KLF Electronics, Inc.

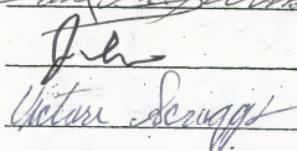
10-26-82
CONCURRED IN
CHARLES W. WESTERMAN, CITY CLERK
DATE

HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT
BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE DO PASS.

MARK E. GIAQUINTA, CHAIRMAN

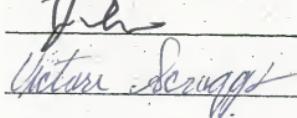


PAUL M. BURNS, VICE CHAIRMAN

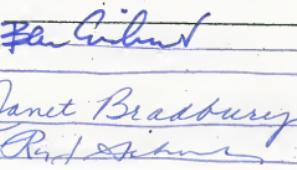

J. M. Burns

JAMES S. STIER

VICTURE L. SCRUGGS


Victure Scruggs

DONALD J. SCHMIDT


Donald Schmidt

BEN EISBART

SAM TALARICO

JANET BRADBURY

Roy Schomburg


Janet Bradbury
Roy Schomburg



The City of Fort Wayne

October 11, 1982

Mr. David M. Lear
President
KLF Electronics, Inc.
2833 South Calhoun St.
Fort Wayne, Indiana 46802

Re: Bid #'s 1052 & 1053, Award of Telephone Communications System, including Cost Accounting & Traffic Analysis

Dear Mr. Lear:

With reference to the above, this letter serves as formal notice to award the contract, to KLF Electronics, Inc., for the Lease/Purchase of a Telephone Communications System and Cost Accounting and Traffic Analysis System for the City of Fort Wayne, Indiana, subject to the approval of the Common Council of the City of Fort Wayne, Indiana.

After evaluation of the three bids received, the City of Fort Wayne has determined that the lowest responsible and responsive bid was the bid received from KLF Electronics, Inc.

The bid submitted by KLF Electronics, Inc. did not represent the lowest bid received, but was the lowest responsible and responsive bid. The primary factors resulting in the awarding of the bid to KLF Electronics, Inc. rather than the low bid submitted by General Telephone Company of Indiana, Inc. (GTCI) are as follows:

A) D.C. Powered Switch.

1) The City's Specifications stated: "The system should be D.C. powered at all times. The Batteries should always power the switch. The batteries should be kept charged by commercial power through converters."

a) The bid received from both GTCI and Executone, Inc. failed to provide a D.C. Switch as stated above.

B) Wired and Equiped Expansion Levels.

1) The City listed in the specifications the requirements for the number of instruments needed, and also specified that all proposals must include Wiring for a 20% expansion and equiped for 10% expansion.

a) The bid received from GTCI did not allow for the expansion as stated in the bid Specifications.

b) The bid received from Executone, Inc. only partially allowed for the level specified by the City.

C) Service Agreement.

1) the City included as part of the Specifications, a Service Agreement that the successful bidder must adhere to.

a) GTCI rejected the City's Agreement and submitted their own. The agreement submitted by GTCI was examined and found not to include many important provisions included in the City's Agreement.

As shown above, the bids received by General Telephone Company of Indiana, Inc. and Executone, Inc. have failed to conform to the bid specifications as stated by the City.

The breakdown of costs, as bid by KLF Electronics, Inc., are as follows:

Base System Cost:	(Bid #1052)	\$421,623.00
Direct Inward Access:	(Bid #1052)	3,187.00
Forced Account Code:	(Bid #1052)	5,865.00
COMDAT Call Processor:	(Bid #1053)	<u>19,000.00</u>
System Total:		<u>\$449,675.00</u>

Lease Terms: \$449,675.00 / 60 months
Lease Rate = .02239
First & Last Payment in Advance
Monthly Cost = \$10,068.22
Total 5 year Lease Cost = 604,093.20

All Lease documents shall be completed upon approval of this contract by the Common Council of the City of Fort Wayne, Indiana.

A copy of this letter will be placed on file in the Department of Purchases, and shall be available for public inspection.

Very truly Yours,
City of Fort Wayne, Indiana

By: _____
Aaron M. Gluck, Director
Department of Purchases

AMG:s

Copy to: Mayor
Frank Heyman
Bruce Boxberger
Steve Bailey
Steve Dearing

D. C. POWERED SWITCH

Reference: Bid Specifications
Page 190 of 222
Paragraph #20

General Telephone Company of Indiana
Proposed
GTD-1000

From Mr. Gluck's Letter of October 11, 1982

"A) D. C. Powered Switch.

a) ...GTCI failed to provide a D. C. Switch...

1) The City's specifications stated: The system should be D. C. Powered at all times.

The batteries should always power the switch.

The batteries should be kept charged by commercial power through converters."

Not Correct

Yes

Yes

Facts: The GTD-1000 is a D. C. power operated switch. The power converter of GTCI's proposed GTD-1000 takes the A. C. commercial power and converts it to D. C. in order for the switch to function. With battery backup, the batteries are tied directly in the circuit path between the power converter and the switch. The power converter keeps the batteries at a constant D. C. voltage and powers the switch. Whenever there is a power interruption to the power converter, the batteries take over completely to provide power to the switch. All three of the proposed switches with battery backup would operate in the same manner.

10-19-82
John Tague

WIRED AND EQUIPPED EXPANSION LEVELS

Reference: Bid Specifications
Pages 186 of 222

From Mr. Gluck's letter of October 11, 1982
"B) Wired and Equipment Expansion Levels.

1) The City listed in the specifications the requirements for the number of instruments needed, ...

...and equipped for 10 percent expansion.

...and also specified that all proposals must include wiring for a 20 percent expansion...

a) The bid received from GTCI did not allow for the expansion as stated in the bid specifications."

Facts:

The Bid Specifications did not stipulate a specific quantity of lines, but requested that this was to be determined by the vendor (page 186 of the Bid Specifications). The GTCI proposal included recommended lines and operational procedures on a department-by-department basis (pages 4-8 through 4-22 of the GTCI proposal). However, there was no single sheet which summarized the total recommended line quantity of 545 lines. The equipped for quantity is 600 lines, which equates to 10 percent over the recommended quantity of 545 lines. The wired for capacity is 672* lines, which equates to 23 percent over the recommended quantity.

*The 672 lines is computed as follows: The GTD-1000 proposed by GTCI was a three-cabinet system. Each cabinet has nine universal card slots for accepting either a trunk card (4 trunks per card), an Attendant's Console card, or a line card (8 lines per card). Based upon the 92 trunks (44 DID trunks, 44 DOD trunks, and 4 tie trunks) and one Attendant's Console recommended (page 6-49 of GTCI proposal). This allows for 672 lines in the remaining universal slots. 108 total slots (3 cabinets X 4 shelves X 9 slots), minus 23 slots for trunks (92 trunks * 4) and one for the Attendant's card equal 8 remaining slots or 672 lines (84 X 8). All wiring is in place for these slots.

10-19-82
John Tague

TENTATIVE TIMETABLE FOR THE ESTABLISHMENT OF A CONSERVANCY DISTRICT

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Obtain Petition															
Court Hearing on Petition	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Plan sent to IDNR for review															
Court Hearing on District	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----
Appeal Period															
Directors Appointed															
District Plan Prepared															
Plan sent to IDNR for review															
Court Hearing on District Plan															
Appeal Period															
Board of Appraisers Appointed by Court															
Court Hearing on Appraisers Report															
Appeal Period															

----- (5% of the freeholders must sign petition either directly or through City Council)

----- (Court must give at least 30 days notice)

----- (Must be returned to court with recommendation within 120 days)

----- (At least 21 days notice)

----- (30 days)

----- (Within 20 days after court decision)

----- (Within 120 days after appointment of directors)

----- (No time specified)

----- (At least 21 days notice)

----- (30 days)

----- (When district plan is approved)

----- (30 days notice)

----- (30 days)

SERVICE AGREEMENT

Reference: Bid Specifications
Pages 207-216 and
Page 26

From Mr. Gluck's letter of October 11, 1982

"C) Service Agreement.

...the City included as part of the specifications a Service Agreement that the successful bidder must adhere to...

Was GTCI's proposal for a Maintenance Agreement responsive?

a) ...found not to include many important provisions..."

Yes (GTCI agreed to negotiate the contract to satisfy any of the City's unique requirements)

The facts below address this issue.

Facts: Page 26 of the Bid Specifications states "...in addition, the bidder shall file all documents necessary to support his/her proposal, including the service contract and the manufacturer's equipment specifications...", General Telephone did this. The City's proposed Service Contract (Pages 207 through 216 of the Bid Specifications) contained 27 major sections and 15 subsections. General Telephone's proposed service agreement contained 37 major sections and 36 subsections (Pages 9-60 through 9-62 of the GTCI proposal). General Telephone's service agreement was specifically stated as being negotiable.

During the first year, the entire system is maintained under warranty with no service charges. The significance of a service contract will not become a consideration until the second year.

10-19-82
John Tague

7 (A) That improved drainage, the development of recreational facilities and the prevention of soil erosion may also occur during the development of plans and projects to accomplish the stated purposes of the district;

"The City That Saved Itself Saves With GTE"

LOW				
<u>BID</u>	<u>GTE</u>	\$349,904	60 Mo. Lease \$7,706.36/Mo.	Total 5 Yr. \$462,381
KLF		\$ 449,675	60 Mo. Lease <u>\$10,068.22/Mo.</u>	Total 5 Yr. <u>\$604,093</u>
CITY				
SAVES				
WITH GTE		\$ 99,771	\$ 2,361.86/Mo.	Total 5 Yr. \$141,712

BID PRICE COMPARISON
ON 5 YEAR LEASE-PURCHASE ARRANGEMENT

KLF

Rental Payment Bid = \$10,068.22 x 60 months	\$604,093.00
Buy-Out	<u>1.00</u>

TOTAL

\$604,094.00

GTCI

Rental Payments Bid = \$7,706.00 x 60 months	\$462,360.00
10% Buy-Out Downpayment (\$34,990.40)	34,990.00
Cost of Downpayment at 12% for 5 years	26,306.00
New Cable	45,000.00
Direct Inward Access	* 3,187.00
Forced Account Code	* 5,865.00
Additional Cost of Maintenance (At Current Rates)	24,176.00
Additional Cabinet for Redundancy	12,919.00
Uninterrupted Power Supply (D.C.)	<u>30,000.00</u>

TOTAL

\$644,803.00

* Not offered in Bid. Cost based on KLF Bid if GTCI System is capable.

RECAP

GTCI	\$644,803.00
KLF	<u>604,094.00</u>

\$ 40,709.00 KLF below GTCI

Based on Bid Documents and Frank Heyman's estimates of cost of bringing GTCI's Bid up to City's specs.